Shares of BPCL and HPCL for domestic and international market

†233. SHRIMATI KUM KUM RAI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have fixed the percentage of shares of BPCL and HPCL to be issued in domestic and international market;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) The Government have decided to disinvest 34.01% equity shares in Hindustan Petroleum Corporation Limited (HPCL) through strategic sale and 35.20% equity shares in Bharat Petroleum Corporation Limited (BPCL) through public offer in the domestic and international market. In addtion, it has been decided to offer 5% equity shares each in both the companies through Employees Stock Purchase Scheme (ESPS) to the employees.

Differences on disinvestment

234. SHRI PREM CHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Government continue to be divided on the policy on disinvestment with a strong lobby objecting to the disinvestment of profit making PSUs;

(b) whether sick PSUs' only asset is the real estate on which they are located and these factors should be given the maximum weightage in the evaluation; and

(c) if so, Government's views in this regard?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) No. Sir.

(b) and (c) The PSUs including sick PSUs are valued using the following methods in keeping with the best market practices.

1. Discounted Cash Flow Method

2. Balance Sheet Method

†Original notice of the question was received in Hindi.